

## Message Text

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PAGE 01 STATE 040107  
ORIGIN TRSE-00

INFO OCT-01 NEA-10 ISO-00 OES-06 COME-00 AID-05 OMB-01 H-01  
SP-02 EB-08 /034 R

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COMMERCE:DCHANG  
OES/APT/BMP:ASCHAPMAN  
AID:JSHEA  
NEA/IAI:MANDERSON

-----231905 013647 /46

R 231535Z FEB 77  
FM SECSTATE WASHDC  
TO AMEMBASSY TEL AVIV

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E.O. 11652:N/A

TAGS: TECH, IS, ECIN, EIND

SUBJECT: ADMINISTRATION TESTIMONY ON BEHALF OF DOLLARS  
30 MILLION APPROPRIATION FOR U.S. CONTRIBUTION TO ENDOWMENT  
OF PROPOSED ISRAEL-U.S. BINATIONAL INDUSTRIAL RESEARCH  
AND DEVELOPMENT FOUNDATION (BIRD)

1. SUMMARY: TREASURY ASSISTANT SECRETARY-DESIGNATE  
BERGSTEN APPEARED BEFORE CONGRESSIONAL APPROPRIATIONS  
SUBCOMMITTEES DURING THE WEEK OF FEBRUARY 10 ON BEHALF  
OF ADMINISTRATION REQUEST FOR DOLLARS 30 MILLION  
APPROPRIATION FOR U.S. CONTRIBUTION TO BIRD ENDOWMENT.  
REQUEST CONTAINED IN FY 1977 SUPPLEMENTAL BUDGET. FINAL  
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ACTION ON SUPPLEMENTAL BILL COULD OCCUR BY EARLY SPRING.  
END SUMMARY.

2. ASSISTANT SECRETARY OF THE TREASURY-DESIGNATE FOR  
INTERNATIONAL AFFAIRS C. FRED BERGSTEN APPEARED BEFORE  
FOREIGN OPERATIONS SUBCOMMITTEE (SENATOR INOUE, CHAIRMAN)  
OF SENATE APPROPRIATIONS COMMITTEE ON FEBRUARY 10, 1977

AND FOREIGN OPERATIONS SUBCOMMITTEE (CLARENCE LONG, CHAIRMAN) OF HOUSE APPROPRIATIONS COMMITTEE ON FEBRUARY 17, 1977. COPIES OF HIS TESTIMONY ARE BEING POUCHED.

3. BERGSTEN'S APPEARANCE BEFORE INOUE COMMITTEE

PRINCIPALLY DEALT WITH OTHER APPROPRIATION REQUESTS BY TREASURY AND SUBCOMMITTEE MEMBERS DID NOT QUESTION BERGSTEN ON APPROPRIATION REQUEST FOR BIRD. BERGSTEN, HOWEVER, PROVIDED HOUSE SUBCOMMITTEE WITH SEPARATE STATEMENT ON BIRD AND THEN FIELDDED "FRIENDLY" QUESTIONS FROM SUBCOMMITTEE.

4. CONGRESS MAY EXPEDITE PASSAGE OF SUPPLEMENTAL BILL, WHICH CONTAINS ALL SUPPLEMENTAL APPROPRIATIONS AS ONE PACKAGE, WITH FINAL ACTION NOW EXPECTED BY EARLY SPRING (PROBABLY APRIL). WE DO NOT EXPECT ANY PROBLEMS WITH APPROPRIATION REQUEST (E.G. ALL HOUSE SUBCOMMITTEE MEMBERS PRESENT AT HEARING SUPPORTED FOUNDATION AND WE HAVE INOUE'S INFORMAL COMMITMENT TO PROJECT).

5. ONCE CONGRESS ACTS ON APPROPRIATION REQUEST, WE WILL UNDERTAKE PROCEDURES FOR NOTIFICATION AND ENTRY INTO FORCE PER ARTICLE XI OF THE AGREEMENT. EMBOFFS SHOULD REMIND FINANCE AND COMMERCE MINISTRY OFFICIALS OF REQUIREMENTS OF ARTICLE XI. IN ADDITION, YOU MIGHT URGE FINANCE MINISTRY OFFICIALS TO BEGIN REVIEW OF ISRAEL'S OUTSTANDING PL-480 DEBT IN ORDER TO DETERMINE THE OUTSTANDING AMOUNTS IN THE INDIVIDUAL ACCOUNTS. AID LIMITED OFFICIAL USE

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OFFICE OF FINANCE MANAGEMENT IS UNDERTAKING SIMILAR OPERATION. ALTHOUGH WE REALIZE THAT ACTUAL DOLLAR-EQUIVALENT AMOUNT OF LOCAL CURRENCY PREPAYMENT CAN ONLY BE DETERMINED ON THE EFFECTIVE DATE, EARLY RECONCILIATION OF ANY DISCREPENCIES IN OUR ACCOUNTS REGARDING THE OUTSTANDING POUND INDEBTEDNESS WILL AVOID LAST MINUTE PROBLEMS.

6. WE WILL KEEP YOU INFORMED OF FURTHER ACTION ON CONGRESSIONAL FRONT.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Disposition Approved on Date:**  
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**Disposition Date:** 22 May 2009  
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**Disposition History:** n/a  
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**Document Source:** CORE  
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**Drafter:** JJGORLIN  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Subject:** ADMINISTRATION TESTIMONY ON BEHALF OF DOLLARS 30 MILLION APPROPRIATION FOR U.S. CONTRIBUTION TO ENDOWMENT OF PROPOSED ISRAEL-U.S. BINATIONAL INDUSTRIAL RESEARCH  
**TAGS:** TECH, ECIN, EIND, IS, (BERGSTEN, C FRED)  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009